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Via Facsimile (203) 254-1641

Thomas L. Tisdale
Tisdale Law Offices, LLC
10 Spruce St.
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Re: Karaki Navigation v. Bunge SA
07 Civ. 6161 (NRB)
Our ref: 1149

Dear Tom,

We write in response to your letter of earlier today.

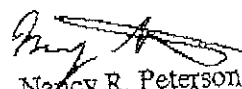
Our clients have received today, under separate cover, the same summary of the claims and cargo receiver's demand for security as alluded to in your letter. In light of the revised cargo claim demand, our clients have authorized us to reduce their principal claim with respect to the Jeddah cargo claims to \$140,000.00 with the express reservation that they will increase their request for security from Bunge at any time and attach additional funds if the amount of damages and/or security demanded from our client by cargo receivers increases.

As the claim has been reduced, the garnishee bank(s) will continue to hold the Defendant's funds in the amount of \$1,890,879.44 and will be instructed to release the remaining funds in the amount of \$3,791,000.43.

Plaintiff proposes that in order to resolve the security aspects of this matter, Bunge should provide security in a suitable form (e.g. Club LOU, bank guarantee or bond) in the amount of \$1,890,879.44.

We look forward to hearing from you.

Very Truly Yours,


Nancy R. Peterson